



General Assembly

January Session, 2001

***Raised Bill No. 6925***

LCO No. 4341

Referred to Committee on General Law

Introduced by:  
(GL )

***AN ACT CONCERNING ALTERNATIVE RETAIL PRICING SYSTEMS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 21a-79a of the general statutes is repealed and the  
2 following is substituted in lieu thereof:

3 (a) Notwithstanding the provisions of section 21a-79 and any  
4 regulations adopted under said section, the Commissioner of  
5 Consumer Protection may [, within available appropriations, establish  
6 a pilot program for the test audit of] grant approval to a retailer to use  
7 an alternative electronic retail pricing [systems] system that [maintain]  
8 maintains and [display] displays the item and unit price of consumer  
9 commodities, as defined in subsection (a) of section 21a-79, [. The  
10 commissioner shall select one or more retailers to participate in any  
11 such pilot program in accordance with the following requirements: (1)  
12 The retailer shall conduct] provided such retailer: (1) Conducts  
13 business from one or more stores in this state; [on October 1, 1998;] (2)  
14 [the retailer shall submit] submits to the commissioner [a written  
15 request to participate in the pilot program and indicate in such written  
16 request the retailer's willingness to pay all costs associated with a test  
17 audit under such pilot program] an application for approval to use an

18 alternative electronic retail pricing system; and [(3) the retailer shall  
19 implement a system to be test audited that, at a minimum,] (3) uses a  
20 system that (A) maintains the retailer's current item prices and unit  
21 prices for each product in an electronic database, (B) prints shelf tags  
22 that meet all applicable requirements for item pricing and unit pricing,  
23 [in effect on October 1, 1998,] and (C) operates in such a way that (i)  
24 price decreases are immediately transmitted directly to the point of  
25 sale, and (ii) price increases are transmitted to the point of sale only  
26 after such shelf tags are posted and such posting has been verified in  
27 the electronic database.

28 [(b) The commissioner may designate a private auditing  
29 organization to conduct any such test audit and shall charge the cost of  
30 such test audit to the selected retailer. No such test audit shall be  
31 conducted for a period exceeding six months. The retailer shall  
32 designate one store in which the test audit will be conducted. During  
33 the test audit, such store shall be exempt from the provisions of  
34 subdivision (1) of subsection (b) of section 21a-79 and any applicable  
35 regulations adopted under said section.

36 (c) The commissioner shall report the results of each test audit  
37 conducted under any such pilot program and any recommendations to  
38 the joint standing committee of the General Assembly having  
39 cognizance of matters relating to consumer protection not later than  
40 three months after the completion of such test audit. Such report shall  
41 include a copy of any audit report prepared by the commissioner or  
42 any such private auditing organization.]

43 (b) Upon approval, by the commissioner, of an application for  
44 approval to use an alternative electronic retail pricing system under  
45 subsection (a) of this section, the approved retailer shall be exempt  
46 from the provisions of subdivision (1) of subsection (b) of section 21a-  
47 79, as amended by this act, and any regulations adopted under section  
48 21a-79.

49 (c) The Commissioner of Consumer Protection shall adopt

50 regulations, in accordance with the provisions of chapter 54, to  
51 implement the provisions of this section.

52       Sec. 2. Section 21a-79 of the general statutes is repealed and the  
53 following is substituted in lieu thereof:

54       (a) For the purposes of this section (1) "consumer commodity" and  
55 "unit of a consumer commodity" [shall] have the same meaning as in  
56 section 21a-73, except that consumer commodity [shall] does not  
57 include alcoholic liquor, as defined in subdivision (3) of section 30-1, or  
58 a carbonated soft drink container; (2) "carbonated soft drink container"  
59 means an individual, separate, sealed glass, metal or plastic bottle, can,  
60 jar or carton containing a carbonated liquid soft drink sold separately  
61 or in packages of not more than twenty-four individual containers; (3)  
62 "universal product coding" [shall mean] means any system of coding  
63 [which] that entails electronic pricing; (4) an electronic shelf labeling  
64 system is an electronic system [which] that utilizes an electronic device  
65 attached to the shelf or at any other point of sale, immediately below  
66 or above the item, [which] that conspicuously and clearly displays to  
67 the consumer the unit price and the price of the consumer commodity.  
68 Such electronic shelf labeling system reads the exact same data as the  
69 electronic cash register scanning system; and (5) an electronic pricing  
70 system is a system [which] that utilizes the universal product coding  
71 bar code by means of a scanner in combination with the cash register  
72 to record and total a customer's purchases.

73       (b) (1) Any person, firm, partnership, association or corporation  
74 [which] that utilizes universal product coding in totaling a retail  
75 customer's purchases shall mark or cause to be marked each consumer  
76 commodity which bears a Universal Product Code with its retail price.

77       (2) The provisions of subdivision (1) of this subsection shall not  
78 apply if: (A) The Commissioner of Consumer Protection, by regulation,  
79 allows for the utilization of electronic shelf labeling systems; (B) a  
80 retailer is granted approval to utilize an electronic shelf labeling  
81 system, or an alternative electronic retail pricing system pursuant to

82 section 21a-79a, as amended by section 1 of this act, by the  
83 commissioner; and (C) the retailer has demonstrated to the satisfaction  
84 of the commissioner that such electronic shelf labeling system is  
85 supported by an electronic pricing system [which] that utilizes  
86 universal product coding in totaling a retail customer's purchases.

87 (3) Consumer commodities [which] that are advertised in a publicly-  
88 circulated printed form as being offered for sale at a reduced price for  
89 a minimum seven-day period need not be individually marked at such  
90 reduced retail price, provided such consumer commodities are  
91 individually marked with their regular retail price and a conspicuous  
92 sign is adjacent to such consumer commodities, which sign discloses:  
93 (A) The reduced retail price and its unit price; and (B) a statement that  
94 the item will be electronically priced at the reduced price by the  
95 cashier.

96 (4) If a consumer commodity is offered for sale at a reduced price, in  
97 accordance with subdivision (3) of this subsection and its electronic  
98 price is higher than the reduced price on the sign which is adjacent to  
99 the consumer commodity, then one item of such consumer commodity  
100 shall be given to the consumer upon demand at no cost. A conspicuous  
101 sign shall adequately disclose to the consumer that in the event the  
102 electronic price is higher than the reduced retail price, one item of such  
103 consumer commodity shall be given to the customer upon demand at  
104 no cost.

105 (c) (1) The Commissioner of Consumer Protection may adopt  
106 regulations in accordance with the provisions of chapter 54 concerning  
107 the marking of prices and use of universal product coding on each unit  
108 of a consumer commodity.

109 (2) The Commissioner of Consumer Protection may adopt  
110 regulations in accordance with the provisions of chapter 54  
111 designating not more than ten consumer commodities [which] that  
112 need not be marked in accordance with subdivision (1) of subsection  
113 (b) of this section and specifying the method of providing adequate

114 disclosure to consumers to insure that the electronic pricing of the  
115 designated consumer commodities is accurate. The commissioner may  
116 establish by regulation methods to protect consumers against  
117 electronic pricing errors of such designated consumer commodities  
118 and to insure that the electronic prices of such designated consumer  
119 commodities are accurate. Among the methods [which] that the  
120 commissioner may consider are conditions similar to those set forth in  
121 subdivision (4) of subsection (b) of this section.

122 (3) Regulations adopted pursuant to this subsection do not apply to  
123 any retailer exempted from this subdivision pursuant to subsection (b)  
124 of section 21a-79a, as amended by section 1 of this act.

125 (d) The Commissioner of Consumer Protection, after providing  
126 notice and conducting a hearing in accordance with the provisions of  
127 chapter 54, may issue a warning citation or impose a civil penalty of  
128 not more than one hundred dollars for the first offense and not more  
129 than five hundred dollars for each subsequent offense on any person,  
130 firm, partnership, association or corporation [which] that violates any  
131 provision of subsection (b) of this section or any regulation adopted  
132 pursuant to subsection (c) of this section. Any person, firm,  
133 partnership, association or corporation [which] that violates any  
134 provision of subsection (b) of this section or any regulation adopted  
135 pursuant to subsection (c) of this section shall be fined not more than  
136 two hundred dollars for the first offense nor more than one thousand  
137 dollars for each subsequent offense. Each violation with respect to all  
138 units of a particular consumer commodity on any single day shall be  
139 deemed a single offense.

***Statement of Purpose:***

To allow retailers to use an electronic pricing system when approved  
by the Department of Consumer Protection.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*